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The book as a whole is interesting throughout. The new material in it has much value for everyone interested in our industrial life, and the old material has been cast into attractive forms. Vol. I of what is apparently a series is a success, and it is to be hoped that the editor will succeed in publishing many more such useful and interesting books.

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*La Teoria dell' Imposta.* By EMILIO COSSA. Milan: Ulrico Hoepli, 1902. 8vo, pp. xxii + 177.

PROFESSOR EMILIO COSSA, the author of this excellent monograph, should not be confused with Professor Luigi Cossa, a part of whose *Science of Finance* was translated into English by Horace White in 1888, and whose *Guide to the Study of Political Economy* is so widely used in the United States. Professor Emilio Cossa is the author of several valuable essays, notably one on the "Phenomena of Public Finance" and one on the "Elementary Principles of the Theory of Interest;" and since the appearance of the present volume he has published an essay on the "Conflicts and Alliances of Capital and Labor."

This study of the "Theory of the Tax"—or, as we should say, the theory of taxation—is a successful attempt to summarize in brief, condensed form the more important views and principles relating to taxation which have the sanction of authoritative writers. The sources of the study are almost exclusively Italian, the main dependence being upon the works of Ricca-Salerno, Messedaglia, Graziani, Flora, and Cogliani. The occasional references to Professor Seligman's writings, to John Stuart Mill's *Principles* in Laughlin's edition, and to a few of the articles in the larger German handbooks are not of such a character as to sustain the author's assumption that he is in a position to speak for writers on finance abroad as well as in his own country. But it speaks well for the soundness of Italian scholarship in matters relating to finance that so excellent a handbook could have been compiled on the basis of Italian works alone.

The brevity of the book and its plan require that the treatment should be purely abstract. Each of the twenty-four brief chapters consists of a series of terse statements setting forth the principles discussed with the arguments by which they are supported, without

comment or illustration. There is practically no "padding" at all. Each chapter or important section is preceded by a complete syllabus, which gives the impression that the book may have originated in a series of lectures. The wealth of terms in the Italian language capable of technical application in this connection helps to condensation as well as to lucidity.

The following outline of some of the more important points will show the character of the book. The "cause" of taxation is found in the nature of the state and the common or social character of the ends which it pursues. The "concept" of taxation is a corollary of that of private property. In "character" a tax is always subjective; that is, it is always a sacrifice and never a *quid pro quo*. The "object" of taxation is the product of the industry of the community. The "subject" of taxation is the general body of citizens, with such foreigners as come under the jurisdiction of the state. From the fact that the ends of the state are indivisible, taxes, it might be argued, should be uniform; but, uniformity being impossible on account of the existing inequalities of fortune, "judicial equality," or equality of sacrifice, must be the rule. This is expanded into a very pretty argument for the faculty theory, and is used as a justification for progression. The minimum of existence should be exempt. Diversification of incomes (in quality as well as size) suggests the necessity for diversification of taxes. Debt charges should be deducted from taxable income. No single tax is equal. The evolution of taxation is concomitant with the evolution of economic life. The guide in determining the form of the multiple system of taxation which should be adopted should be income. Graduation of taxation in a multiple system may be attained by graduating the rate of some important tax, or by a combination of taxes which would cumulate the burden on the wealthy. The principles underlying the following groups of taxes are discussed in detail: the taxation of land, of manufactures, of capital, of industrial or professional earnings, of the transfer of property, and of consumption. Shifting and incidence are rather briefly discussed. General taxes on income as the foundation, with the property tax as supplementary, are commended as likely to attain to the ideal of taxation according to ability. Local taxes should be independent of and separate from those for the support of the state, and may consist of direct real and personal taxes, and of indirect taxes on consumption.

The book is eminently sound, conservative, and clear, and will

prove an excellent summary of the theory of taxation. There is no similarly concise statement in small compass. A translation of the book into English would be very serviceable.

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*Die deutsche Branntweinbesteuerung 1887-1902, und ihre wirtschaftliche Wirkungen.* (Münchener wirtschaftliche Studien.) By EDGAR GINSBERG. Stuttgart: J. G. Cotta'sche Buchhandlung Nachfolger, 1903. 8vo, pp. vi + 93.

It is not probable that the American reader will be greatly interested in the late history of the distillery business in Germany and of the complicated and devious and sometimes even statesmanlike legislative adjustments which, in the emergencies of party politics, have resulted from the kaleidoscope of party groupings in the German Reichstag. But for such readers as find this to be matter for their purpose, this study by Dr. Ginsberg will be most welcome. The marvel that with an acute drink problem before the German people, in the tragic cheapness of poor whisky, no appreciable use has been made for revenue purposes of this tax opportunity offered by the production and sale of distilled liquors, finds its explanation in the exigencies of protective policy with reference to the potato and the beet-sugar industries and the agrarian interest generally. Bounties on exports of sugar, exemption from fiscal burdens for *Schnapps*, manure for agricultural needs, jealousies of province against province, rivalries of the rural small distilleries against the giant industry of the cities—are all mere data in the political struggle, the outcome of which appears to be the most plentiful, the cheapest, and the poorest variety of whisky now ameliorating the lot of any working people in any civilized country.

H. J. DAVENPORT.

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*Das Wesen des Kapitalismus und die Zinstheorie von Boehm-Bawerk.* By MAX GEBAUER. Breslau: Wilhelm Koebner, 1904. Pp. 42.

THIS is one more of the attempted contributions to the theory of interest. In this particular case, at any rate, the contribution is not a considerable one. The writer has nothing more novel or startling to urge than that capital commands and deserves its interest-